

NATO-Russian partnership and reducing the nuclear tensions between us and the meeting that will occur in a few weeks in Madrid to expand NATO. But I'm troubled that we have not completed the Bosnian peace process; we've got a long way to go there. I'm troubled at the stagnation of the peace process in the Middle East. There's a lot of things that this administration has done that cannot be sustained unless we all keep working and moving forward.

And the second point I would like to make to you is a more abstract one, but I hope you can take some pleasure in it. I really believed in 1991 and 1992, when I went around and asked so many of you to help me run for President, that we had to modernize the approach of the Democratic Party consistent with our values, that we had to take a new approach but it had to be rooted in our values. There was nothing wrong with our values, but we had to be relevant and effective in the modern world. We had to prove that we were capable of producing a strong defense, a credible foreign policy, a disciplined management of the economy, particularly on fiscal matters. And we had to prove that you could cut the deficit and invest in America's future at the same time.

We had to prove that we could be for high standards of personal responsibility in the criminal justice and welfare system and still believe that we should be an inclusive nation, where everybody should have a fair chance. We had to prove you could grow the economy and preserve the environment. We had to take a different position.

And when I was in Europe recently and I was doing this press conference with the new Prime Minister of Great Britain, Tony Blair, who as you know has been subject to almost savage criticism from time to time for having adopted ideas similar to mine. *[Laughter]* But the only people that like it seem to be the people over there. The voters thought it was all right.

I had the feeling for the very first time that the people in the press who were asking us questions really believed that we might have changed the country and our political party and that there was some organized, principled direction to this. And I've been working on this long before I even thought

I would run for President, for a good 10 years or more now. And I think that once we believed that we had—we not only have good results, but we know we're on a course that will work, and we can expect it to keep working with sustained effort, that is the beginning of real hope because then you don't have to see the gains evaporate when elections change things or when term limits come up or when momentary difficulties come up in the economy or other problems.

So I would ask you to keep that in mind. I believe you have helped to contribute to a profound, almost revolutionary positive change in the direction of our country because you helped to revitalize the party that we're all proud to be a part of. And I hope you will never forget that.

And I had the feeling for the very first time that a lot of those who interpret us for the rest of the country and the world were coming to that understanding because I was standing there with the new Prime Minister of Great Britain and we were saying the same things and we had just left the Prime Minister of The Netherlands and he said the same things and because they came along after the '92 election and had also seemed to get quite satisfactory results in their own country. So you were also part of changing the world. And for that, I am very, very grateful.

Thank you.

NOTE: The President spoke at 8:37 p.m. at the Mayflower Hotel. In his remarks, he referred to Prime Minister Wim Kok of The Netherlands.

Statement on the Mortgage Insurance Premium Reduction Initiative

June 12, 1997

Today, we are making it even easier for thousands of young families to buy their first home. I am pleased to announce that the Department of Housing and Urban Development is reducing the FHA's up-front mortgage insurance premium by 12.5 percent. This reduction, coupled with two previous reductions and savings passed on to homebuyers because of better Government efficiency, will save families buying a first home

a total of \$1,200. Just last year, FHA premium cuts reduced the downpayments for 550,000 families across the country.

In 1994, I called upon the Department of Housing and Urban Development to develop a strategy to boost homeownership to an all-time high—to produce 8 million new American homeowners by the year 2000. Through our National Homeownership Strategy, more than 2.5 million American families have already become homeowners. Today, more Americans are homeowners than at any time in history.

We know homeownership is strengthening families and stabilizing neighborhoods. As part of that strategy, I challenged HUD to do what it could to remove some of the barriers young families face when buying their first home. Too often, front-end closing costs, not monthly payments, stand between a hard-working family and a new home. Our goal was to cut those up-front costs by \$1,000; with today's action, we have cut those costs by \$1,200.

I applaud Secretary Cuomo for going the extra mile, surpassing the challenge I set in 1994 and providing the extra boost needed to make the dream of homeownership a reality for thousands more families.

Statement on the Federal Election Commission Decision on the Soft Money System in Domestic Politics

June 12, 1997

I applaud the Federal Election Commission's unanimous decision to begin to consider my request that they act to ban soft money in Federal elections. This is an important step in our effort to reform our elections and restore the trust of the American people in their political system.

As I said in my petition to the FEC, the rules governing our system of financing Federal election campaigns are sorely out of date. The system has been overwhelmed by a tide of money, raised in amounts and in ways that could not have been contemplated when the system was created two decades ago. I believe that the FEC has the authority and the obligation to take dramatic action, and I am pleased that five congressional

sponsors of bipartisan campaign finance reform, led by Congressmen Shays and Meehan, have filed a similar petition before the Commission.

I urge the FEC to take the next step and begin the process of writing new rules that will ban soft money. I hope this action will encourage Congress to enact comprehensive, bipartisan campaign finance reform.

Statement on Enlargement of the North Atlantic Treaty Organization

June 12, 1997

After careful consideration, I have decided that the United States will support inviting three countries—Poland, Hungary, and the Czech Republic—to begin accession talks to join NATO when we meet in Madrid next month.

We have said all along that we would judge aspiring members by their ability to add strength to the alliance and their readiness to shoulder the obligations of NATO membership. Poland, Hungary, and the Czech Republic most clearly meet those criteria—and have currently made the greatest strides in military capacity and political and economic reform.

As I have repeatedly emphasized, the first new members should not and will not be the last. We will continue to work with other interested nations, such as Slovenia and Romania, to help them prepare for membership. Other nations are making good progress—and none will be excluded from consideration.

We look forward to working with our NATO Allies to reach agreement on this important issue.

Statement on Passage of Emergency Supplemental Appropriations Legislation

June 12, 1997

I applaud the United States Congress for passing the disaster relief bill that the families of the Midwest and other parts of the country desperately need. I am especially pleased that the congressional majority heeded the call of common sense by ensuring that